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From: Levine, Carolyn

**Sent:** Wed 9/16/2015 1:08:41 PM

Subject: FW: POGO article: EPA Coming Clean, but Gold King a Gold Mine for Contractors

This is the article referred to on our call yesterday. Any thoughts/comments I should pass on?

## EPA Coming Clean, but Gold King a Gold Mine for Contractors

September 8, 2015

(Photo: usepagov / Flickr)

The Environmental Protection Agency (EPA) has posted hundreds of pages of documents about the Gold King Mine leak, which sent 3 million gallons of mining wastewater flowing into Colorado's Cement Creek and Animas River. The records provide insights about the mine cleanup work, the chronology of the release, and the emergency response that took place after the leak.

The Project On Government Oversight's review of federal contracts shows that even before the spill supposedly began, the EPA was reacting to an emergency in the region that required a rapid response. A nearly \$1 million contract modification with Environmental Restoration LLC—the EPA contractor working onsite at Gold King Mine where the spill occurred—was signed on August 4, the day before the spill. What was the money for and where was that emergency? The EPA hasn't fully come clean yet, and the agency should provide more details about the three projects funded on August 4 and the activities at Gold King that day, including descriptions of activity in posted pictures from August 4 (see pictures posted on pages 2 and 3).

Contract modifications increasing funding for "Emergency and Rapid Response Services for Region 8" occurred on August 4, <u>August 5</u>, and <u>August 13</u> (effective on August 6), totaling \$2.2 million. The contract modifications do not mention Gold King Mine specifically, and the contracting officer who prepared the listings didn't include the place of performance for the emergency response. If any of those contract actions are related to the Gold King spill, it raises the question of what EPA officials knew and when they knew it, and what remedial actions were taken.

The EPA hasn't responded to POGO's email request for information about emergencies in Region 8, which includes Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming, and 27 Tribal Nations, in the month of August. (For some history on why the Gold King disaster occurred, see our earlier post about the archaic laws and years of neglect that led to the spill. The circumstances are unfortunate, because the EPA and Environmental Restoration and other cleanup contractors did not cause the underlying problem, they are cleaning up a mess left behind by the mining companies that are no longer in business.)

Environmental Restoration also received work specifically mentioning the "Emergency and Rapid Response Services for Region 8. Gold King Mine Release," signed on August 6, for up to \$500,000, which was subsequently increased to up to \$1,000,000 and now nearly \$1.4 million. Questions are worth posing about the added funding for this contract and whether the EPA was concerned about awarding clean-up work to the same contractor that was involved in the initial spill. The EPA has released the statement of work for the post-release work, which includes some background on the emergency, deliverables, and a schedule that is expected to end "on or before 11/30/2015."

The company <u>has stated</u> that it will honor its "contractual confidentiality obligations to all of our clients, and cannot provide any additional information." Its work at the Gold King Mine dates back to July 2014, when it <u>was hired to conduct</u> "[Emergency and Rapid Response Services] Time Critical Removal – Gold King Mine, San Juan County, CO." According to the EPA website, Environmental Restoration has been involved in <u>emergency services in Region 8 since</u> at least 2001.

In addition to the work awarded to Environmental Restoration, the EPA has brought in Environmental Quality Management, Inc. (EQM) to also respond to the Gold King Mine spill. To date, EPA work orders awarded to EQM total \$500,000 for Region 6 and \$118,000 in Region 9, and more money may have to flow to those regions because they are downstream and at risk from the Gold King Mine leak.

In an effort to have an independent review of the release, the <u>EPA announced</u> that the Department of the Interior would conduct a review; this will be in addition to <u>investigations by the EPA Inspector General</u>. Congress, which has a long history of looking into the topic of <u>abandoned mines</u>, is also demanding answers from <u>the EPA</u>, <u>Interior Department</u>, and Environmental Restoration, and scheduling hearings.

The EPA's release of contracts and other data has assisted the public in understanding the government's actions, but there is a need for more answers. The EPA's handling of this situation hasn't been without its critics who want more information from the agency about concerns with notifying and working with local communities and questions about the leak itself. Obviously, we still need more information about the spill, its impact, the future cleanup, and the tax money being spent (especially since lawsuits are forthcoming and the EPA is bracing for claims). The public release of additional information and details will enhance the ongoing investigations and allow the government to learn from its mistakes rather than hiding the truth from policymakers and the public.

By: Scott H. Amey, J.D. General Counsel, POGO

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By: Meg Lentz Intern, POGO

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